

MOTION

9A

WE MOVE that the matter of the Rules, Elections and Intergovernmental Relations Committee Report relative to establishing a regulatory framework for commercial cannabis activity, and other cannabis-related issues, in the City of Los Angeles, Item 9 on today's Council Agenda, (CF's - 14-0366-S5, 14-0366-S4, 14-0366-S6, 14-0366-S7, 17-0710, 14-0366-S15, 14-0366-S16, 14-0366-S17) BE AMENDED to adopt the following additional recommendations:

1. REQUEST the City Attorney, with the assistance of the Department of Cannabis Regulation, Department of City Planning, and the City Clerk to add language within the draft ordinances and resolutions for a "Public Convenience" or "Necessity" (PCN) procedure to address areas of potential "undue concentration" of Commercial Cannabis Activity, similar to the current PCN procedure for alcohol establishments. This applies to any applicant within a particular license category in which their premises location is within a higher cannabis license/population ratio within the community plan based on the 2016 American Community Survey, updated by each decennial census, than the following: ratio of 1 license per 10,000 residents for Retailer (Type 10); ratio of 1 license per 7,500 residents for Microbusiness (Type 12); ratio of 1 square foot of canopy per resident for Cultivation (Types 1A, 1B, 2A, 2B, 3A, 3B, 4, and 5A); and ratio of 1 license per 7,500 residents for Manufacture (Type 7). Proposition D compliant dispensaries that are deemed eligible for Proposition M Priority processing are exempt from the PCN process.
2. ADD language to the "Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles" that states: All applicants that were conducting non-retail Businesses in the City of Los Angeles prior to January 1, 2016 will be provided limited immunity to operate while their application is pending a final decision if: 1) a complete application is submitted to the Department within 15 business days from the start of applications being made available for this program; 2) the continuing operations of the applicant are the same activities in which the applicant is seeking a License for cultivation, manufacture, distributor, or testing laboratory; 3) the applicant attests to, and provides proof of, being a supplier of a Proposition D compliant dispensary prior to January 1, 2017; 4) the applicants attests to, and provides proof of, being in operation prior to January 1, 2016; 5) the premises meets all of the land use and sensitive use requirements of the City of Los Angeles; 6) the applicant submits to a pre-inspection and passes the pre-inspection. Any fire, life, safety violations must be corrected prior to continuing operations; 7) the applicant submits to a financial audit by the Office of Finance and pays all prior year tax obligations up to 5 years; 7) the applicant provides and signs an approved indemnification agreement protecting the City from any possible liability stemming from operations; 8) the applicant attests to, and provides evidence of, an agreement with a testing laboratory for product testing; 9) the applicant attests that only non-retail operations will continue under the limited immunity provision; 10) the applicant attests that all cannabis-related products will undergo testing in accordance with state standards; 11) the applicant signs an affidavit stating that the applicant will cease operations if denied a State or City license; 12) the applicant signs an affidavit stating that the applicant will comply with all operating criteria set forth by the City of Los Angeles, including an understanding that any proven infraction against the operational

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requirements will result in the immediate revocation of a Temporary Local Authorization and operations must be suspended; and 13) the applicant qualifies under the Social Equity Program. After 5 p.m. Pacific Time on the 15th day business day, the Department will close the limited immunity processing window permanently.

The Department will determine eligibility for limited immunity processing and its determination may be appealed to the Commission. Operations prior to the application period will be granted limited immunity from City of Los Angeles enforcement if eligibility is approved. If the application is determined to be eligible for limited immunity processing, the Department shall issue a Temporary Local Authorization for ninety days (which may be extended for an additional ninety days) and will be valid during that period until such time as the application is approved or denied by the Commission, Department, or the City Council. If the application is denied eligibility for limited immunity processing, the applicant shall cease all Commercial Cannabis Activity at the location or premises identified until a Provisional License is approved. The applicant and property owner will be subject to enforcement by the Police Department and City Attorney for continuing operations after an application for limited immunity eligibility has been denied.

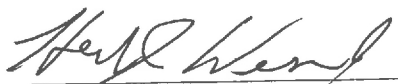
3. REPLACE similar language on Pages 7 and 8 (Items ii and iii) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to who may appeal to be consistent with who may appeal a Conditional Use Permit in the City of Los Angeles.
4. ADD language on Pages 9 and 10 (Item 3) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to Prop M Priority processing to allow Prop M Priority applicants to appeal eligibility to the Commission.
5. ADD language on Page 42 (Item 1) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to the cancellation process to allow for an exception due to remodeling or reconstruction.
6. ADD language to Page 4 (Item 4) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to application processing to require batching of applications by applicant.
7. ADD language to Page 3 (Item 10) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to the definition of Proper Notice to include “any organization or individual that requests to be put on the City’s interested party notification list”.
8. ADD language to Page 14 (Item 10) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to financial information submitted by the applicant that would implement procedures to afford protection for applicants with respect to confidential financial information.

9. CLARIFY language on Page 17 (Item 3) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to labor and wage laws to clarify that this applies only to local and state labor and wage laws.
10. CLARIFY language on Page 38 (Item 3a) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative enforcement and labor and wage laws to clarify that this applies only to local and state labor and wage laws.
11. REPLACE language on Page 9 (Item 1) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to the ceasing of non-conforming Commercial Cannabis Activity in a commercial zone for Prop M Priority applicants from Dec. 31, 2020 to Dec. 31, 2022.
12. AMEND language on Page 9 (Item 2) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to Prop M Priority eligibility to read “AN EMMD that received a BTRC after 2014, received a BTRC or tax exemption certificate issued by the City prior to November 13, 2007, and registered with the City Clerk in accordance with the requirements under Interim Control Ordinance 179027, that is operating in compliance with the limited immunity and tax provisions of Proposition D ...”
13. REPLACE language on Page 15 (Item 19) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to the insurance requirements to read “Attest to providing proof of a bond and/or insurance, including product liability insurance, as required by the State of California and the Department, within 15 business days of licensure.”
14. REPLACE language on Page 15 (Item 17) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to a labor peace agreement to read “For an applicant whose staffing plan or organizational chart shows 10 or more employees, applicants shall provide an attestation from a person authorized to contract on behalf of a bona-fide labor organization, which indicates that a labor peace agreement has been executed. Such agreement shall ensure full access for labor representatives to the premises during regular business hours as allowed by the State of California.”
15. ADD language to Page 22 (Item 12) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to signage requirements to prohibit the use of inflatable signs and “sign spinners”.
16. ADD language to Page 9 (Item 2) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to Prop M priority processing that states businesses otherwise operating under LAMC Section 45.19.6.3 should be allowed an opportunity to cure non-substantive administrative violations in C through F, and M.

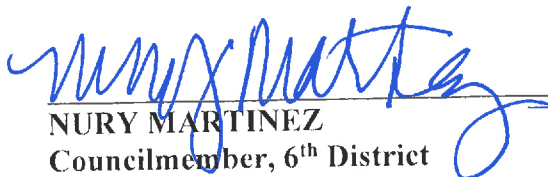
17. REPLACE language to Page 9 (Item 2) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to Prop M priority applicants licensure to state: Applicants shall apply for: a maximum of one Microbusiness License (Type 12) and one Delivery for Retailer License (Type 10); or a maximum combination of one Retailer License (Type 10), one Delivery for Retailer License (Type 10), one Distributor License (Type 11), one Manufacturer License (Type 6 only) and one Cultivation: Indoor (Type 2A or 3A) License for the one location identified in its original or amended BTRC and as demonstrated in previous cannabis-related business activities prior to the adoption of Proposition M.
18. ADD language to Page 4 of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” to state: Applications that are in conflict with each other due to sensitive use requirements will be processed in the order received. The date and time stamp of receipt as indicated will be the determining factor for conflicting applications, unless otherwise indicated in the Social Equity Program. Evidence that the applicant has the legal right to occupy and use the proposed location that complies with the requirements of the Department and the State of California, unless otherwise indicated in the Social Equity Program, must be submitted and verified prior to the conflict cause being effective.
19. AMEND language to Page 31 (Item 13) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to deliveries to delete the last sentence.
20. ADD language to Page 3 (Item 12) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to the definition of Transitional Worker to include “over the age of 65 and financially compromised” as one of the barriers to employment.
21. DELETE language to Page 4 (Item 1) of the “Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles” relative to the submission of applications that provides for a printed application to be submitted. All applications must be completed online.
22. INSTRUCT the CAO, with the assistance of the Department of Cannabis Regulation, to report back with an analysis on the cost to start a business that will conduct Commercial Cannabis Activity for all categories of licensure.
23. REQUEST the Department of Water and Power (DWP), LAPD, and the Department of Cannabis Regulation, with the assistance of the City Attorney, to submit a report, including procedures and any necessary ordinance changes to implement Los Angeles Municipal Code Section 45.19.7.3 (E) relative to the DWP being authorized to disconnect utilities for unlicensed businesses and property owners conducting Commercial Cannabis Activity as adopted in Proposition M.

24. REQUEST the City Attorney's Office, with the assistance of the Department of Cannabis Regulation, Los Angeles Fire Department, Los Angeles Police Department, and Department of City Planning, to initiate an ordinance that will provide rules and regulations for social consumption of cannabis based on the CLA analysis in the REIR Committee recommendations.
25. AUTHORIZE the City Attorney, with the assistance of the Department of Cannabis Regulation and the Chair of Rules, Elections, and Intergovernmental Relations Committee, to make any technical modifications and/or legal corrections to the draft ordinances, draft resolutions, draft ordinance requests, and any other related actions listed above in order to further the objectives as described in these recommendations.

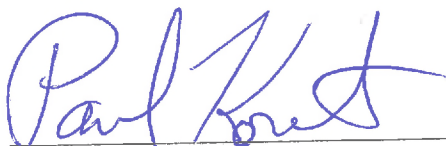
PRESENTED BY:



HERB J. WESSON, JR.
Councilmember, 10th District



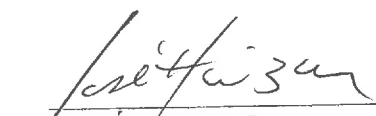
NURY MARTINEZ
Councilmember, 6th District



PAUL KORETZ
Councilmember, 5th District



MARQUEECE HARRIS-DAWSON
Councilmember, 8th District



JOSÉ HUIZAR
Councilmember, 14th District

SECONDED BY:



October 31, 2017

AMENDING MOTION

I HEREBY MOVE that Council AMEND Recommendation No. 1 of Motion 9A (Wesson - Martinez – Koretz – Harris-Dawson - Huizar - Price) relative to establishing a Public Convenience or Necessity (PCN) procedure to add the following recommendation:

INSTRUCT the Department of City Planning to prepare data maps by Council District that illustrate license capacity in accordance with the outlined license/population ratios, by license category.

PRESENTED BY _____
MITCHELL ENGLANDER
Councilmember, 12th District

SECONDED BY _____
HERB J. WESSON, Jr.
Councilmember, 10th District

SECONDED BY _____
MARQUEECE HARRIS-DAWSON
Councilmember, 8th District

October 31, 2017

CF nos. 14-0366-S5, 14-0366-S4, 14-0366-S6,
14-0366-S7, 17-0710, 14-0366-S15,
14-0366-S16, and 14-0366-S17

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- financial contributions to City-controlled special funds
- financial contributions to non-profit organizations
- graffiti Removal
- landscaping
- litter pickup
- pressure washing
- tree planting
- tree trimming
- public infrastructure improvements (street, sidewalk, curb, gutter, median and alley repair; and improvements to local parks, libraries and community centers)

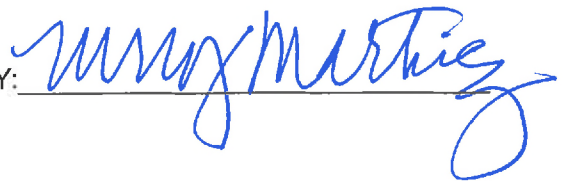
PRESENTED BY:



JOE BUSCAINO

Councilmember, 15th District

SECONDED BY:



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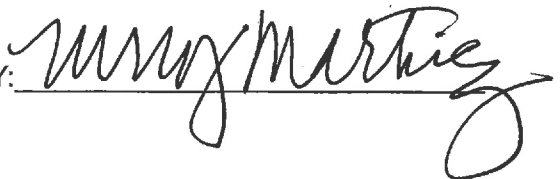
PRESENTED BY:



JOE BUSCAINO

Councilmember, 15th District

SECONDED BY:



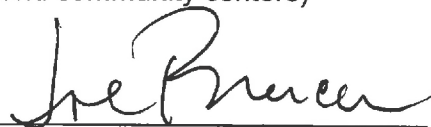
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PRESENTED BY:



JOE BUSCAINO

Councilmember, 15th District

SECONDED BY:

